

MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

February 20, 2007

The Commissioners of the Chicago Housing Authority held its Regular Meeting on Tuesday, February 20, 2007, at 8:30 a.m. at the Daniel Hudson Burnham Apartments, Chicago, Illinois.

In the absence of Chairperson Martin Nesbitt, Commissioner Ivers called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Hallie Amey Earnest Gates Dr. Mildred Harris Michael Ivers Bridget O'Keefe Carlos Ponce Sandra Young Mary Wiggins
Absent:	Martin Nesbitt

Also present were Sharon Gist Gilliam, Chief Executive Officer; Adrienne Minley, Chief of Staff; Jorge Cazares, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Sharon Gist Gilliam, Chief Executive Officer, then presented her monthly report. Ms. Gilliam announced the joint venture between Capri Capital Partners and Judson Investment Company to build a \$500 million mixed-use development called The Metropolis, on 39th and State. The joint venture envisions a destination on the scale of Water Tower Place that will serve as an anchor for the near South side and Bronzeville/Grand Boulevard communities. The development will include one million square feet of retail shops and mixed-income residences, green space, a water feature, and will be built in phases that may also include a hotel. Per Ms. Gilliam, when private sector dollars flow into CHA communities as a result of the Plan for Transformation, it is a huge vote of confidence for CHA. Ms. Gilliam concluded her report by presenting an update to the Federal Budget which included appropriations for HUD at essentially the 2006 levels for most programs, with three exceptions. First, the Operating Fund was funded with an additional \$300 million above FY06, an 8% increase. Second, tenant-based voucher funding was funded with an additional \$502 million above FY06 levels, a 3% increase. Third, project-based voucher funding was increased an additional \$939 million from the 2006 level, an 18% increase.

Commissioner Ivers then convened the Public Hearing portion of the meeting by inviting residents and the public at large to address the Board.

Immediately following the Public Hearing portion of the meeting, a Motion was introduced and seconded to adjourn to Executive Session. Commissioner Ivers announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one (1) hour to discuss pending, probable or imminent litigation, collective negotiating matters, security and personnel matters.

The Commissioners subsequently reconvened in Open Session and upon Motion made by Commissioner Amey, properly seconded by Commissioner Gates and carried, the Minutes for the Regular Meeting of November 21 2006 and December 19, 2006 were unanimously approved.

Commissioner Ivers thereupon introduced the Resolutions discussed in Executive Session.

Commissioner Gates then presented a Motion to approve the following resolution for Executive Session Item 1:

Executive Session Item 1

RESOLUTION NO. 2007-CHA-11

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated February 2, 2007, requesting that the Board of Commissioners approves the Personnel Actions Report for January 2007.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the Personnel Actions Report for January 2007.

The Motion to adopt resolution for Executive Session Item 1 was seconded by Commissioner Young and the voting was as follows:

Ayes:	Hallie Amey Earnest Gates Dr. Mildred Harris Michael Ivers Sandra Young Mary Wiggins
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Nays:	Bridget O'Keefe Carlos Ponce
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The Chairperson thereupon declared said Motion carried and said Resolution adopted.

Commissioner Young then presented a Motion to approve the following resolution for Executive Session Item 2:

Executive Session Item 2

RESOLUTION NO. 2007-CHA-12

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 14, 2007, entitled "Authorization to enter into a Settlement Agreement with Michuda Construction Co."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or her designee to enter into a settlement agreement in the amount of \$160,000 with Michuda Construction Inc. ("Michuda") for alleged damages resulting from delays that caused Michuda to incur additional costs for extended general conditions relating to and arising out of the Chicago Housing Authority's Contract No. 0420 with Michuda for the rehabilitation and renovation of The Lake Michigan Apartments, 4227 S. Oakenwald Street.

The Motion to adopt resolution for Executive Session Item 2 was seconded by Commissioner Harris and the voting was as follows:

Ayes:	Hallie Amey Earnest Gates Dr. Mildred Harris Michael Ivers Bridget O'Keefe Carlos Ponce Sandra Young Mary Wiggins
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Nays:	None
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The Chairperson thereupon declared said Motion carried and said Resolution adopted.

Commissioner Young then presented a Motion to approve the following resolution for Executive Session Item 3:

Executive Session Item 3

RESOLUTION NO. 2006-CHA-13

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 20, 2007, entitled "Request for Authorization to Submit a Disposition Application to the U.S. Department of Housing and Urban Development for the Disposition and Sale of 626 West Jackson Boulevard and Authorization to Sell 916-1000 South Wabash Avenue";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioner authorize the Chief Executive Officer or her designee to submit a disposition application to the HUD for the disposition and sale of the CHA headquarter administrative office building located at 626 W. Jackson Boulevard and to sell such property for an amount not less than fair market value, subject to HUD approval. The Chief Executive Officer or her designee is also authorize to sell another CHA administrative office building located at 916-1000 South Wabash Avenue for an amount not less than fair market value. As offers for other CHA Satellite Properties are submitted and evaluated, a subsequent request for authorization to submit a disposition application to HUD and to sell such property shall be presented to the Board of Commissioners at that time.

The Motion to adopt resolution for Executive Session Item 3 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Hallie Amey
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Bridget O'Keefe
Carlos Ponce
Sandra Young
Mary Wiggins

Nays: None

The Chairperson thereupon declared said Motion carried and said Resolution adopted.

Commissioner Amey then presented an Omnibus Motion for the adoption of the Resolutions for General Items 1 thru 3:

General Item 1

The CHA, in alignment with the original intent of the Moving To Work Demonstration program, is providing more than the bricks and mortar to rebuild homes, by also providing the building blocks to improve residents' lives. These goals can only realistically be accomplished through the essential waivers and funding flexibility that the Moving To Work Demonstration program affords. The CHA utilizes MTW waivers to create ground breaking funding structures for its developments, scattered throughout the Chicago community. Amendment No. 5 to the MTW Agreement includes a waiver of the 25% limit on the percentage of dwelling units in any building that can be assisted under a housing assistance payment contract for project-based voucher assistance, thereby enhancing the flexibility of the CHA's project based voucher program. In addition the Amendment includes waivers for HUD regulation rules for conversion with respect to the CHA's conversion of public housing units in the Britton-Budd Apartments, Kenmore Apartments, and Ralph Pomeroy Apartments to project-based voucher units pursuant to 24 CFR 972 Subpart B (Voluntary Conversion of Public Housing Developments). These units, once rehabilitated, will count toward the CHA's commitment to build, develop or rehabilitate 25,000 units under the Plan for Transformation. Also the MTW Agreement is modified so that conversions are treated the same as demolitions under subsections 3C and 4A of Part I Attachment A in the formula for the calculation of operating subsidies. Included with the Resolution is a copy of Amendment No. 5 to the MTW Agreement.

RESOLUTION NO. 2007-CHA-14

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 16, 2007, requesting approval of the Moving to Work FY2006 Annual Report, attached hereto:

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the attached Moving to Work FY2006 Annual Report and grants authorization to the Chief Executive Officer, the Board Chairperson, or their designee to make any final changes as they may deem necessary; approve final changes, including changes based on HUD requirements; and submit the report to the U.S. Department of Housing and Urban Development on March 1, 2007. Such approval shall constitute conclusive evidence of the Board's approval of any and all such changes.

General Item 2

The CHA, in alignment with the original intent of the Moving To Work Demonstration program, is providing more than the bricks and mortar to rebuild homes, by also providing the building blocks to improve residents' lives. These goals can only realistically be accomplished through the essential waivers and funding flexibility that the Moving To Work Demonstration program affords. The CHA utilizes MTW waivers to create ground breaking funding structures for its developments, scattered throughout the Chicago community. Amendment No. 5 to the MTW Agreement includes a waiver of the 25% limit on the percentage of dwelling units in any building that can be assisted under a housing assistance payment contract for project-based voucher assistance, thereby enhancing the flexibility of the CHA's project based voucher program. In addition the Amendment includes waivers for HUD regulation rules for conversion with respect to the CHA's conversion of public housing units in the Britton-Budd Apartments, Kenmore Apartments, and Ralph Pomeroy Apartments to project-based voucher units pursuant to 24 CFR 972 Subpart B (Voluntary Conversion of Public Housing Developments). These units, once rehabilitated, will count toward the CHA's commitment to build, develop or rehabilitate 25,000 units under the Plan for Transformation. Also the MTW Agreement is modified so that conversions are treated the same as demolitions under subsections 3C and 4A of Part I Attachment A in the formula for the calculation of operating subsidies. Included with the Resolution is a copy of Amendment No. 5 to the MTW Agreement.

Correction by Jorge Cazares, General Counsel: The alternative authority word should also be included in Section 8.013D1 of the US Housing Code of 1937.

RESOLUTION NO. 2007-CHA-15

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 16, 2007, requesting approval of Amendment No. 5 to the "Memorandum of Approval, Resident Protection Agreement, Moving to Work Agreement," dated February 6, 2000 between the U.S. Department of Housing and Urban Development and the Chicago Housing Authority. (the "MTW Agreement")

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the attached Amendment No. 5 to the MTW Agreement, which includes (1) waivers of the 25% limit on the percentage of dwelling units in any building that can be assisted under a housing assistance payment contract for project-based voucher assistance; and (2) waivers of various regulatory rules with respect to the conversion of public housing units to project based voucher units at Britton-Budd Apartments, Kenmore Apartments and Ralph Pomeroy Apartments; and a provision that such units at said buildings shall once rehabilitates count toward the CHA's commitment to build, develop or rehabilitated 25,000 units under the MTW Agreement; and amends Part I, Attachment A of the MTW Agreement to treat conversions the same as demolitions under subsections 3C and 4A thereof with respect to the calculation of the operating subsidy.

THAT, the Board of Commissioners hereby grants authorization to the Chief Executive Officer to execute Amendment No. 5 to the MTW Agreement, on behalf of the CHA.

General Item 3

During FY2006, the seventh year of the Plan for Transformation, the CHA concluded that the commitment to rehabilitate or rebuild 25,000 units of public housing would take additional time given a number of obstacles, which include: reduced federal funding; increase construction and labor costs; a demand for higher quality construction in mixed-income communities; complex coordination of community involvement; legal obstacles to progress; and adjustments made to the relocation process as a result of community input. Consequently, the CHA indicated in the FY2007 Moving to Work Annual Plan submitted to HUD on November 2, 2006 that the Plan for Transformation would require a 15-year commitment. The execution of Amendment No. 6 to the MTW Agreement would extend the term of the MTW Agreement, funding commitments, and regulatory waivers and program changes through 2015. Included with the Resolution is a copy of Amendment No. 6 to the MTW Agreement.

RESOLUTION NO. 2007-CHA-16

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 16, 2007, requesting approval of Amendment No. 6 to the “Memorandum of Approval, Resident Protection Agreement, Moving to Work Agreement,” dated February 6, 2000 between the U.S. Department of Housing and Urban Development and the Chicago Housing Authority.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the attached Amendment No. 6 to the “Memorandum of Approval, Resident Protection Agreement, Moving to Work Agreement,” extending the term Agreement for five years through 2015.

THAT, the Board of Commissioners hereby grants authorization to the Chief Executive Officer to execute Amendment No. 6 to the “Memorandum of Approval, Resident Protection Agreement, Moving to Work Agreement” on behalf of the CHA.

The Motion to adopt resolutions for General Items 1 thru 3 was seconded by Commissioner Wiggins and the voting was as follows:

Ayes: Hallie Amey
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Bridget O’Keefe
Carlos Ponce
Sandra Young
Mary Wiggins

Nays: None

The Chairperson thereupon declared said Motion carried and said Resolutions adopted.

Commissioner Young then presented the report for the Tenant Services Committee. Per Commissioner Young, the Tenant Services Committee Meeting was held on Wednesday, February 14, 2007 at the 626 Corporate Offices. Andy Teitelman, Acting Managing Director of Resident Services and representatives from City Colleges presented the Committee with an update on Bridges to Careers Program.

Commissioner Young then introduced an Omnibus Motion for the adoption of the Resolutions for Items A1 thru A3 discussed, voted and recommended for Board approval by the Tenant Services Committee.

(Item A1)

In December 2003, the Board authorized a contract with the Uhlich Children’s Advantage Network (“UCAN”) to provide housing counseling and supportive services to families in 2004

that had to relocate from their existing public housing in buildings scheduled for closing due to redevelopment/rehabilitation to other CHA public housing units or the private-market housing using a Housing Choice Voucher (“HCV”). The agreement was for fourteen (14) months with four one-year options. The services include obtaining/maintaining lease compliance, assessment, providing community tours, identifying housing and other services to assist families in meeting their housing choice. In February 2005, the Board authorized Amendment No. 1 exercising the first one year option for the period of April 1, 2005 through March 31, 2006. In August 2005, the parties executed Amendment No. 2 modifying the Contract’s fee structure to allow for relocation into newly constructed or rehabilitated housing under the CHA’s Plan for Transformation. On or about November 30, 2005, the Relocation and Supportive Services Department negotiated a reduction of the maximum per family fee for services under the Contract from \$5,270.00 to \$3,900.00 for all new families referred. In February 2006, the Board authorized Amendment No. 3 exercising the second one year option for the period April 1, 2006 through March 31, 2007. Throughout the Contract’s base term and option years, UCAN met its contract obligations and, at times, exceeded those obligations. As a result, the Relocation and Supportive Services Division is requesting authorization to exercise the Contract’s third one-year option with UCAN for the period of April 1, 2007 through March 31, 2008. A \$550,000 increase in the not-to-exceed compensation amount is required for the third one-year option to allow UCAN to provide relocation services to approximately 117 families under the Senior Designated Housing Plan schedule and to provide follow-up services to those families who relocated in 2006. Families will receive the necessary support services to assist their families in relocating to their designated housing choice.

RESOLUTION NO. 2007-CHA-17

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed Board letter dated February 12, 2007, entitled “Recommendation to exercise the third-one year option of Contract No. 0455 with Uhlich Children’s Advantage Network for Housing and Supportive Services ”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to exercise the third one- year option of Contract No. 0455 with Uhlich Children’s Advantage Network (“Contract”) for housing and supportive services for the period of April 1, 2007 through March 31, 2008 and to increase the Contract’s not-to-exceed compensation amount by \$550,000, adding it to the carryover balance remaining at the end of the second, one-year option period. The Contract’s new aggregate not-to-exceed compensation amount will be \$3,277,680.

(Item A2)

In December 2003, the Board of Commissioners (the “Board”) authorized the CHA to enter into a 14 month contract, with four (4) one-year extension options, with CPF to provide housing and supportive services to families who had to relocate from their existing public housing unit in buildings scheduled for closing due to redevelopment/rehabilitation to another CHA public housing unit or to private-market housing using a Housing Choice Voucher (“HCV”). The services included obtaining/maintaining lease compliance, assessment, providing community tours, identifying housing and other services to assist families in meeting their housing choice.

In October 2004, the parties executed Amendment No. 1 to the Contract to provide additional housing and counseling services consistent with the Scope of Work of the Agreement and to modify the payment structure for all new families referred. The additional services include: ensuring that Leaseholders and their families meet the necessary HCV eligibility appointments; delivering signed HAP contracts to landlords; submitting progress reports to the CHA after the 60 day visit of a leaseholder utilizing an HCV; and hosting job fairs, financial seminars and career days. In February 2005, the Board authorized the first one year option of the contract. Amendment No. 2 was executed to extend the Contract and increase the Contract’s funding. In September 2005, the parties executed Amendment No. 3 modifying the Contract’s fee structure to allow for relocation into newly constructed or rehabilitated housing under the CHA’s Plan for Transformation. In February 2006, the Board authorized the second one year option of the contract. Amendment No. 4 was executed to extend the Contract and increase the Contract’s funding. CPF has continued to meet, and at times has exceeded its contract obligations with the CHA. During the third one-year option, CPF will provide support services to CHA families eligible to return to housing at Wentworth Gardens and Trumbull Park. An increase of

\$1,320,000.00 is needed to provide services for residents returning to Wentworth Gardens and Trumbull Park and to provide follow-up services to families who were referred to CPF in 2006. There are 212 rehabilitated public housing units becoming available at Wentworth Gardens and 300 rehabilitated public housing units becoming available at Trumbull Park in 2007. Based on these projections, it is estimated that CPF will be serving a minimum of 800 families during 2007.

RESOLUTION NO. 2007-CHA-18

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed Board letter dated February 12, 2007, entitled "Authorization to execute the third one-year option of contract No. 0452 with Changing Patterns for families for Housing and Supportive Services."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or Her designee to exercise the third one-year option of Contract No. 0452 with Changing Patterns for Families for housing and supportive services for the period of April 1, 2007 through March 31, 2008, and to increase the Contract's not-to-exceed compensation amount by \$1,320,000.00, adding it to the carryover balance available at the end of the second option year. The new aggregate total not-to-exceed amount of the Contract will be \$5,037,020.00.

(Item A3)

The Chicago Housing Authority's Plan for Transformation represents a new beginning for public housing in Chicago. To support the Plan's self-sufficiency objective for families, the CHA has partnered with CCC to establish education and training programs for CHA residents and relocatees. The goal of the partnership with CCC is to create a continuum of education and training supportive services that will allow CHA residents to advance over time to progressively higher levels of education, certification and employment that should ultimately result in better paying careers in industries of economic importance. This self-sufficiency objective is also aligned with the CHA's occupancy policies at mixed-income communities where adult family members must meet screening criteria that requires engagement in work or self sufficiency activities for 30 hours each week. The current IGA provides for the delivery of educational services to CHA residents at a variety of educational levels as well as to provide support while residents are engaged in educational activities. Under the IGA existing degree and certification programs are made available to CHA residents at reduced costs in areas such as health care, transportation, cosmetology, and early care and education. Customized programs such as industry specific "Career Bridges" enable residents needing more extensive educational support to move toward entry into degree and certification programs or directly to employment. City Colleges provides dedicated staff to support residents as they attend educational programs through assistance in navigating CCC's enrollment, decision-making about educational tracks to support employment goals and ensuring continued attendance in CCC's educational programs. The funding request is increased from the previous year in order to serve a larger number of residents. For the two year base term of the contract, it was estimated that 100 participants would enroll in technical training each year. CHA resident participation exceeded the target goals over this period, as nearly 200 residents completed technical training. Over 85% of the overall program budget is allocated for the cost of the technical training courses. During the first one-year option, it is anticipated that at least 400 residents will enroll in technical training and completions will increase by approximately 50%. In addition, the budget reflects additional dedicated staff that was not anticipated during the base term of the contract but is necessary to ensure resident progress, completion and retention. Increased resources also allow City Colleges to offer rapid learning literacy courses enabling more residents to meet the qualifications for employment and training opportunities. The budget and compensation for these educational services to be paid to CCC by the CHA will be set forth in exhibits to the IGA, which may be added to from time to time upon agreement of the CCC and the CHA during the term of the IGA.

RESOLUTION NO. 2007-CHA-19

WHEREAS, The Board of Commissioners has reviewed the Board Letter dated February 12, 2007, entitled "Recommendation to authorize the first one year option to extend the Intergovernmental Agreement with the City Colleges of Chicago for Educational Services";

THEREFORE, BE IT RESOVLED BY THE CHICAGO HOUSING AUTHORITY

THAT, The Board of Commissioners authorizes the Chief Executive Officer or her designee exercise the first one year option to extend the Intergovernmental Agreement with the City Colleges of Chicago for the period of January 1, 2007 through December 31, 2007 in an amount not-to-exceed \$1,070,000.00 to continue to provide educational services to CHA residents and relocatees.

The Omnibus Motion to adopt resolutions for Items A1 through A3 was seconded by Commissioner Harris and the voting was as follows:

Ayes:	Hallie Amey Earnest Gates Dr. Mildred Harris Michael Ivers Bridget O'Keefe Carlos Ponce Sandra Young Mary Wiggins
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Nays:	None
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There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Tenant Services Committee report was also accepted in total.

Commissioner O'Keefe then presented the Joint Operations & Facilities and Finance & Audit Committee monthly report. Per Commissioner O'Keefe, the Joint Operations and Finance Committee Meetings were held on Wednesday, February 14, 2007 at 1:30 p.m. at the 626 W. Jackson Corporate offices. The Joint Committees were presented with the 2007 Cash Flow Forecast Narrative, 2007 Projects Cash Flow Forecast, January 2007 Treasury and Cash Flow Report and an update on the Moving To Work FY2206 Annual Report.

Commissioner O'Keefe then introduced an Omnibus Motion for the adoption of the Resolutions for Items B1 thru B6 discussed, voted and recommended for Board approval by the Joint Operations and Finance Committees.

(Item B1)

As part of the Capital Improvement Program for Families, the Chicago Housing Authority ("CHA") and FHP Tectonics Corporation ("FHP") executed Contract Number 5026 for the general renovation of Wentworth Gardens at 3770 South Wentworth. The renovation work commenced in January of 2005. The Capital Construction Department (CCD) requests ratification OF Contract Modification Number G-06 to Contract No. 5026, in the amount of \$476,566.00, which provides for additional labor hours utilized by the Contractor to complete work in the Fall of 2005 according to the original schedule, utilizing any needed overtime. This change order request covers an additional twelve thousand and ninety-five (12,095) labor hours at premium time wage rates.

RESOLUTION NO. 2007-CHA-20

WHEREAS, the Board of Commissioners has reviewed Board Letter dated February 12, 2007, entitled "Ratification of Modification No. G-06 TO CONTRACT NO. 5026 with FHP Tectonics Corporation for additional work related to the General Renovation of Wentworth Gardens (IL2-008)";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby ratifies Contract Modification No. G-06 to Contract No. 5026 with FHP Tectonics Corporation in the amount of \$476,566.00 for additional work related to the general renovation of Wentworth Gardens (IL2-008) at 3770 South Wentworth. The new total contract amount of Contract No. 5026 is \$19,385,730.00.

This Contract Modification is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

(Item B2)

On June 18, 2002, the CHA Board approved entering into a Master Development Agreement with BMT-I, LLC, and with Brinshore Development, LLC and Michaels Development Co, as sponsors. The Robert Taylor Homes Phase A-1 For-Sale development represents the first on-site for-sale phase of redevelopment within the larger Robert Taylor Revitalization Plan. The For-Sale Phase is expected to consist of 22 buildings located in an area bounded by State Street on the east, 40th Street on the north, the Metra tracks on the west, and Root Street on the south. The new units will be developed in a variety of housing types as single family detached housing, single-owner two-flats and condominium buildings. There is no public housing in this for-sale phase. However, the units will be interspersed with rental housing from the Robert Taylor Homes Phase A-1 Rental phase, currently under construction. The For-Sale development is expected to occur in sub-phases in one or more transactions as pre-sale, site control and other requirements are met for financing the construction. The plans for this phase call for 19 lots to be deeded to the developer to construct seven single family and ten two-flat structures which will in turn be sold to individual owners, and include two outlots to provide access. The CHA will retain ownership of the CHA-owned land underlying the on-site parcels where the condominium buildings are being built through one or more 99-year for-sale ground lease(s). The initial tenant will be Hansberry Homes, LLC (or other affiliate of Brinshore-Michaels), as homeownership development owner. Upon submission of the ground leased property to the Illinois Condominium Property Act and sale of the units, the unit owners will acquire the owner's interest under the ground lease(s) and the condominium association(s) will act on their behalf as tenant. CHA received a general disposition approval from HUD to ground lease the Robert Taylor site. An amendment to such application will be submitted to HUD for authority to deed the 19 lots and to clarify the ground lease transaction. Plats of subdivision and/or vacation and dedication have been implemented. Easements, licenses, rights of entry and/or rights of way necessary or appropriate to implement Phase A-I also have been or will be implemented. Various other documents may be necessary or appropriate to implement the Phase A-I For-Sale transaction, including, but not be limited to, one or more quitclaim deeds, a property rights agreement, one or more condominium declarations, a receiver consent, documents necessary or appropriate to clear title, and releases.

RESOLUTION NO. 2007-CHA-21

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 12, 2007, requesting authorization for the Chief Executive Officer or her designee to submit an amended disposition application to the United States Department of Housing and Urban Development ("HUD"), and to enter into one or more 99-year ground lease(s) and transfer nineteen (19) lots in fee simple to Hansberry Homes, LLC or other affiliate of Brinshore-Michaels, and to execute, deliver and perform such documents and take such actions as may be necessary or appropriate to implement the Robert Taylor Homes Phase A-1 For-Sale (Hansberry Park) development, subject to any necessary HUD approval.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, The Board of Commissioners authorizes the Chief Executive Officer or her designee to

(i) submit an amended disposition application to HUD, and (ii) enter into one or more 99-year ground lease(s) and transfer nineteen (19) lots in fee simple to Hansberry Homes, LLC (or other affiliate of Brinshore-Michaels), and (iii) to execute, deliver and perform such documents and take such actions as may be necessary or appropriate to implement the Robert Taylor Homes Phase A-1 (Hansberry Park) For-Sale development, subject to any necessary HUD approval.

THAT, All acts of the officers, employees and agents of the Authority which are in conformity with the purposes and intent of this Resolution be, and the same hereby are, in all respects, ratified, approved and confirmed.

(Item B3)

On June 18, 2002, the CHA Board approved entering into a Master Development Agreement

with BMT-I, LLC, and with Brinshore Development, LLC and Michaels Development Co, as sponsors. Pursuant to the Redevelopment Agreement, the Chicago Housing Authority (“CHA”) is required to fund the cost of on-site remediation for pre-existing conditions on the development site (other than costs the Developer would have incurred in any event) on a phase-by-phase basis, subject to certain rights to terminate for infeasibility. Robert Taylor Homes Phase A-1 (also known as Hansberry Square) is a mixed-finance, mixed-income on-site development that falls within the larger Robert Taylor Homes Revitalization Plan. This for-sale phase of Phase A-1 (“Taylor A-1 For Sale”) is expected to produce 47 new construction units, interspersed with the rental units from the Robert Taylor Homes Phase A-1 Rental phase. Skender will be the General Contractor on this first on-site For Sale phase and will provide the environmental remediation work. Founded in 1955 by Joseph Skender Sr., Skender Construction Company, Inc. has built commercial, industrial and institutional facilities, and employs a professional support staff which includes architects and registered engineers. Its anticipated joint venturer is a resident-owned business. The estimated remediation costs for the Taylor A-1 For Sale site is \$710,869.00. CHA’s contractual responsibility under the MDA for remediation is capped at 225% of this estimated total cost which is \$1,599,456.00. Accordingly, it is anticipated that (i) the Skender contract amount will initially be approximately the estimated remediation cost, but adjusted/amended if necessary up to this cap, and (ii) the contract will be released in sub-phases to correspond to the sub-phasing of the transaction. All of the necessary environmental reports and studies have been completed and the prerequisite approvals obtained for the Remediation Action Plan (“RAP”) proposed for the development site. As part of the approval of the RAP, it is recommended that we utilize an “engineered barrier” approach to remediation, which is both the least costly approach, as well as one that is acceptable to the Illinois Environmental Protection Agency (“IEPA”). Under the engineered barrier approach to remediation, the top 3 feet of soil will be removed and disposed of as “special waste” at an approved licensed special waste landfill, and replaced by 3 feet of clean soil in all proposed landscaped areas. The soil removed for the excavation of the foundations will also be disposed of as special waste. The balance of the site will be capped by impermeable surfaces (I.E.-building structures, parking lots, streets, sidewalks, etc.). The Brinshore-Michaels development team was the successful respondent to CHA’s solicitation for the planning and implementation of the Master Redevelopment Plan for the Robert Taylor Homes development. The Brinshore-Michaels development team has contracted with Skender as the General Contractor for the redevelopment of the first on-site For Sale phase (A-1). Various benefits to the project will be realized by entering into a contract for remediation activities with Skender. The engineered barrier approach to remediation involves construction elements to be performed post-closing that are intertwined with the construction and therefore is justification to enter into this contract with Skender. The benefits namely are (1) continuity of schedule; (2) continuity of activity and (3) economy of scale.

RESOLUTION NO. 2007-CHA-22

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 12, 2007, requesting authorization to enter into a contract with Exodus-Skender Joint Venture and execute related documents for environmental remediation activities in connection with the Brinshore-Michaels development team’s implementation of the HUD approved Revitalization Plan at the Robert Taylor Homes Phase A-1 For Sale redevelopment site.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to enter into a contract with Exodus-Skender Joint Venture and to execute related documents for environmental remediation activities at the Robert Taylor Homes Phase A-1 For Sale redevelopment site for a total contract amount not to exceed \$1,599,456.00 (225% of the estimated remediation costs), subject to any necessary HUD approvals. The term of the contract shall be the earlier of: the receipt of a “No Further Remediation” letter from the Illinois Environmental Protection Agency with regard to the Robert Taylor Homes Phase A-1 For Sale redevelopment site, or two years, subject to a one year extension.

(Item B4)

Wentworth Gardens is undergoing modernization. Part of the modernization includes construction of a laundry facility for the residents at 3770 S. Wentworth for the convenience of the residents. Previously, the CHA entered into revenue sharing agreements with several

companies, including MacGray services for the supply, delivery and maintenance of laundry equipment at various CHA family developments and senior buildings. The CHA provides water and utility hook-ups and the vendors supply the laundry room appliances and other related equipment and provide all maintenance services. This type of arrangement provides an offset to the CHA to cover the CHA's cost of utilities and water and provides some revenue to the CHA that can then be used to fund various other resident programs. Therefore, the CHA determined to use this type of agreement in this procurement for Wentworth Gardens. Upon review of MacGray's proposal, it provides the most comprehensive laundry services program available today. Some of the features that MacGray offers are: (1) efficient Maytag washers; (2) a \$5.00 credit on the initial distribution of smart/debit cards to approximately 220 residents (a \$1100 value); (3) Each month, CHA will receive 55% of all gross revenue collected from all twenty-six machines that will be installed to cover the vendor's usage of CHA facilities and CHA's water and utility costs; and (4) a \$4000 contribution for laundry room improvements. The length of the term of the agreement is necessary to allow MacGray to receive an appropriate return on its capital investment. The RFP for the supply, delivery and maintenance of washers, dryers and laundry room equipment was advertised on CHA's website on September 20, 2006. In addition to advertising, seven (7) laundry firms, which include two MBEs, were directly solicited. A highly recommended site visit and pre-proposal conference was held on September 25, 2006. Addendum No. 1 was issued on October 3, 2006 that extended the proposal due date and answered questions from the pre-proposal meeting. On October 10, 2006 one (1) response was received from MacGray. Although only one (1) response was received, it was determined that MacGray's proposal was beneficial to the CHA as it would provide 1) high-efficient equipment, 2) a smart/debit card system versus a traditional coin operated system, 3) a fixed percentage of gross revenues not tied to occupancy, 4) a preventative maintenance plan, and 5) on-line service call entry system for the residents to use to increase efficiency, timeliness of service and a log of all service calls. CHA will know exactly when a machine has been repaired.

RESOLUTION NO. 2007-CHA-23

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 12, 2007, titled "Authorization to Enter into Contracts with MacGray Services, Inc., for the Supply and Maintenance of Washers, Dryers and Laundry Room Equipment at Wentworth Gardens Development";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to enter into a five-year revenue sharing contract, with one option year, with MacGray Services, Inc. for the supply, delivery and maintenance of washers, dryers and laundry room equipment at the Wentworth Gardens Development.

(Item B5)

CHA proposes to enter into an agreement with Konica Minolta Business Solutions to lease and maintain twenty (20) high speed black and white copiers, one (1) medium range black and white copier and one (1) high speed color copier at the CNA building at 60 E. Van Buren. In accordance with the requirements sought, as outlined in the RFP, Konica Minolta has responded specifically to our request for technology and maintenance. The merger between the two firms and the fact that they manufacture the product that they sell has placed them at the top of the industry where technology and service is concerned. It also allows them to be more user friendly where pricing is concerned. CHA is reducing the number of in-house copiers by sixty six percent (66%) to serve the same number of employees currently on staff. We anticipate a higher workload for each piece of equipment. It is for this reason that high speed copiers are necessary in all areas. Konica Minolta was determined to be the only respondent that submitted a proposal that met our requested specifications in full. We have no recent history with this firm. In order to ensure that our selection was correct, the Evaluation Committee requested and received a demonstration of all copiers that were proposed in their submission. The speed of the units and quality of the finished product was superb. The cost of this equipment supply with maintenance services will include leasing, maintenance, click charges and all material with the exception of paper. The base cost for the twenty two (22) total copiers to be provided under the lease(s) is \$162,212.40 over the three year term proposed, and the incremental maintenance and click costs accrue at an average blended rate of \$.006 per copy/click. Using consumption levels rate from prior experience and the blended click rate, the total forecast of click costs over the term is expected to be \$13,124.76. The RFP for supply, delivery, and maintenance of copiers (RFP No. 01486) was released on December 4, 2006. The RFP was mailed to thirteen (13) vendors and

advertised in the Chicago Tribune on December 4, 2006, Extra Newspaper on December 7, 2006, and Hyde Park Herald on December 13, 2006, and Six (6) proposals were picked up and five (5) proposals were received. One (1) was deemed non-responsive. Based on the results of the evaluation committee, Konica Minolta Business Solutions was determined to be the Respondent that best and most completely provided the requested specifications across the board.

RESOLUTION NO. 2007-CHA-24

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated February 12, 2007, "Authorization to Enter into a Copier Contract with Konica Minolta Business Solutions".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, it is recommended that the Board of Commissioners authorize the Chief Executive Officer or her designee to enter into a contract with Konica Minolta Business Solutions not-to-exceed \$175,337.16, for a period of thirty-six (36) months for the lease of the copier equipment and related maintenance services for the equipment provided.

(Item B6)

As a cost saving strategy the Chicago Housing Authority ("CHA" or the "Authority") made a decision to consolidate administrative functions at one central headquarters. CHA selected the CNA Building, located at 60 E. Van Buren for its new home. Seven administrative buildings will be consolidated under one roof housing approximately 900 staff and agents. The initiative is projected to save the Authority approximately one \$1 million dollars annually over the term of the lease. Combining CHA and CHAC (housing choice voucher program) at the same facility required the Authority to obtain a telephony system robust enough to meet our current and future needs. With CHAC's extensive call volume and the CHA's diverse telephone needs, the telephone system needed to be capable of handling over 120,000 calls a month, provide management reports, and support emergency responder information. CHA selected Cisco Systems to supply a new "state of the art" VOIP phone solution, which was acquired and initially installed by a Cisco-certified Vendor and Reseller, Berbee Information Networks Corporation. To ensure the system is supported and available to the maximum extent, the telephone solution is intended to be covered by a Cisco SmartNet maintenance agreement. SmartNet maintenance, available exclusively from Cisco Systems as the products' manufacturer, provides preventive and remedial maintenance for the Cisco VOIP telephony system, as well as certain software updates and related features integral to function and maintenance of the equipment. Prudent business practices dictate having maintenance agreements in place to ensure critical business functions are restored quickly and efficiently, and the CHA has elected to secure SmartNet maintenance services from Cisco Systems for an extended term of five (5) years, which will lock in maintenance costs at the current annual rate (to hedge against potential future cost increases), and which results in an effective discount from Cisco Systems for the annual maintenance relative to prevailing vendor prices for such maintenance services. As part of the relocation project, a new Cisco VOIP telephony solution was acquired for the Authority. To keep the total cost of ownership as low as possible, vendors were asked to submit their proposals for maintenance with a five-year fixed price bid. Berbee's bid price for five years of Cisco SmartNet maintenance was the lowest at \$282,814. The multi-year service plan enables the Authority to achieve an effective discount of twenty five percent. Since multi-year agreements require payment in full and the Authority wishes to pay annually with no interest, it is recommended that the maintenance services be financed over a five (5) year term through Cisco's partner lease plan provided by its preferred government finance partner, Key Government Finance. Cisco Systems Capital, a division of Cisco Systems, utilizes Key Government Finance for their financing program. Upon the execution of the financing documents, CHA would lock in a five year fixed price for the requested maintenance services and would achieve a promotional financial incentive savings in the amount of \$25,407. Through the structured transaction, the CHA would also effectively benefit from the Cisco provided lease discount, which offers the CHA the ability to finance the maintenance services under the lease with an interest rate equivalent to 0%.

RESOLUTION NO. 2007-CHA-25

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 12, 2007, entitled "Authorization to Enter into Related Contracts with Cisco Systems and Key Government Finance to Provide and to Finance Extended Term

SmartNet Maintenance Services for CHA Telecommunications Equipment".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to enter into a five (5) year services contract with Cisco Systems for the provision of SmartNet maintenance services for a firm fixed price of \$282,814.00, and to enter into a related agreement with Key Government Finance to provide financial accommodations for the lease of such SmartNet maintenance services which shall result in fixed, equal annual payments for such lease which shall aggregate to the amount of \$282,814.00 for the five (5) year lease term.

The Omnibus Motion to adopt resolutions for Items B1 thru Item B6 was seconded by Commissioner Gates and the voting was as follows:

Ayes: Hallie Amey (*Recused from voting on Item B1 and B4*)
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Bridget O'Keefe (*Recused from voting on Item B6 only*)
Carlos Ponce
Sandra Young
Mary Wiggins

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Joint Operations and Finance Committee report was also accepted in total.

There being no further business to come before the Commissioners, upon Motion made, seconded and carried, the meeting of the Board of Commissioners was adjourned.

S/B: Martin Nesbitt
Chairperson

S/B: Lee Gill, Custodian and
Keeper of Records